

STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2006

	October-06				September-06				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Quarter Policy	Net ROR	FYTD Net	FY06 Net	Ended 6/30/2006 Net	Ended 6/30/2006 Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
Los Angeles Capital	764,694	2.7%	2.8%	4.34%	758,542	2.7%	2.8%	1.60%	6.01%	11.12%	N/A	N/A
Total Structured Growth	764,694	2.7%	2.8%	4.34%	758,542	2.7%	2.8%	1.60%	6.01%	11.12%	12.01%	-0.32%
<i>Russell 1000 Growth</i>				3.52%				3.94%	7.59%	6.12%	8.35%	-0.76%
<i>Structured Value</i>												
LSV	835,632	3.0%	2.8%	3.46%	835,805	3.0%	2.8%	4.90%	8.53%	15.05%	21.14%	12.22%
<i>Russell 1000 Value</i>				3.27%				6.22%	9.70%	12.10%	15.70%	6.89%
<i>Russell 1000 Enhanced Index</i>												
LA Capital	1,598,865	5.7%	5.6%	4.00%	1,513,034	5.4%	5.6%	3.71%	7.86%	11.58%	N/A	N/A
<i>Russell 1000</i>				3.40%				5.06%	8.62%	9.08%	N/A	N/A
<i>S&P 500 Enhanced Index</i>												
Westridge	1,612,404	5.7%	5.6%	3.29%	1,615,637	5.8%	5.6%	5.75%	9.22%	8.77%	N/A	N/A
<i>S&P 500</i>				3.26%				5.67%	9.11%	8.63%	N/A	N/A
<i>Index</i>												
State Street	562,722			3.77%	561,249			5.78%	9.77%	9.51%	11.47%	2.62%
Total 130/30	562,722	2.0%	1.9%	3.77%	561,249	2.0%	1.9%	5.78%	9.77%	9.51%	11.47%	2.62%
<i>S&P 500</i>				3.26%				5.67%	9.11%	8.63%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	5,374,317	19.1%	18.8%	3.72%	5,284,266	19.0%	18.8%	4.49%	8.38%	10.95%	13.63%	3.95%
<i>S&P 500</i>				3.26%				5.67%	9.11%	8.63%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	1,820,855	6.5%	6.3%	5.47%	1,740,472	6.3%	6.3%	-0.01%	5.46%	13.58%	18.20%	7.84%
<i>Russell 2000 + 200bp</i>				5.92%				0.94%	6.92%	16.86%	21.06%	10.38%
TOTAL SMALL CAP DOMESTIC EQUITY	1,820,855	6.5%	6.3%	5.47%	1,740,472	6.3%	6.3%	-0.01%	5.46%	13.58%	18.20%	7.86%
<i>Russell 2000</i>				5.76%				0.44%	6.22%	14.58%	18.70%	8.50%
INTERNATIONAL EQUITY												
<i>Large Cap - Active</i>												
Capital Guardian	1,170,997	4.2%	4.0%	3.73%	1,135,834	4.1%	4.0%	5.02%	8.94%	28.07%	20.99%	6.90%
LSV	1,142,865	4.1%	4.0%	3.74%	1,108,463	4.0%	4.0%	6.24%	10.21%	27.09%	N/A	N/A
Total Large Cap - Active	2,313,862	8.2%	8.0%	3.73%	2,244,298	8.1%	8.0%	5.62%	9.57%	27.66%	21.92%	12.63%
<i>MSCI EAFE - 50% Hedged</i>				3.38%				4.87%	8.42%	26.72%	22.56%	6.89%
<i>Small Cap - Value</i>												
Lazard	274,633	1.0%	1.0%	4.90%	263,677	0.9%	1.0%	0.72%	5.66%	23.65%	28.06%	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				3.40%				1.53%	4.98%	29.28%	32.40%	N/A
<i>Small Cap - Growth</i>												
Vanguard	280,252	1.0%	1.0%	3.66%	272,233	1.0%	1.0%	3.73%	7.52%	29.24%	32.39%	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				3.40%				1.53%	4.98%	29.28%	32.40%	N/A
TOTAL INTERNATIONAL EQUITY	2,868,747	10.2%	10.0%	3.83%	2,780,207	10.0%	10.0%	4.93%	8.95%	27.35%	23.83%	8.67%
<i>MSCI EAFE - 50% Hedged</i>				3.38%				4.87%	8.42%	26.72%	22.56%	6.89%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	5,304,099	18.8%	19.0%	0.90%	5,260,843	18.9%	19.0%	4.45%	5.39%	-0.90%	7.36%	8.59%
<i>Lehman Aggregate</i>				0.66%				3.81%	4.49%	-0.81%	2.05%	4.97%
<i>Core Plus/Enhanced</i>												
Clifton Group	1,216,922	4.3%	4.4%	0.52%	1,213,471	4.4%	4.4%	N/A	N/A	N/A	N/A	N/A
Prudential	1,211,323	4.3%	4.4%	1.03%	1,199,925	4.3%	4.4%	N/A	N/A	N/A	N/A	N/A
Total Core Plus/Enhanced	2,428,244	8.6%	8.8%	0.77%	2,413,396	8.7%	8.8%	N/A	N/A	N/A	N/A	N/A
<i>Lehman Aggregate</i>				0.66%				3.81%				
<i>Index</i>												
Bank of ND	2,325,491	8.3%	8.3%	0.61%	2,313,876	8.3%	8.3%	3.10%	3.73%	-1.14%	1.14%	4.90%
<i>Lehman Gov/Credit (1)</i>				0.63%				3.91%	4.57%	-1.52%	1.04%	4.78%
<i>BBB Average Quality</i>												
Wells Capital (formerly Strong)	5,304,659	18.8%	19.0%	0.96%	5,259,422	18.9%	19.0%	4.60%	5.60%	-2.11%	2.63%	N/A
<i>Lehman US Credit BAA</i>				0.89%				4.80%	5.73%	-2.37%	2.63%	N/A
TOTAL DOMESTIC FIXED INCOME	15,362,493	54.6%	55.0%	0.86%	15,247,538	54.8%	55.0%	4.28%	5.18%	-1.39%	6.59%	7.79%
<i>Lehman Aggregate (2)</i>				0.66%				3.81%	4.49%	-0.81%	1.84%	5.28%
CASH EQUIVALENTS												
Bank of ND	2,728,125	9.7%	10.0%	0.44%	2,753,853	9.9%	10.0%	1.35%	1.79%	4.50%	2.71%	2.42%
<i>90 Day T-Bill</i>				0.38%				1.33%	1.71%	4.00%	2.37%	2.25%
TOTAL FIRE & TORNADO FUND	28,154,536	100.0%	100.0%	1.95%	27,806,336	100.0%	100.0%	3.84%	5.86%	5.27%	7.29%	5.27%
POLICY TARGET BENCHMARK				1.71%				3.81%	5.58%	4.99%	6.57%	5.05%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.